

Board Update Meeting Summary | Friday, January 23, 2015

This summary may not include all agenda items and is not considered minutes of the meeting. Click on the link below for complete meeting agenda items.

[Board Meeting Agenda and Materials](#)

Employee Recognition Presentation:

Assistant General Manager Pat Hohl recognized James Judnick, Garry Smith and Cory Schleiden, who work in the Electric Field Forces, for their excellent efforts at the recent Linemen Rodeo where they took 17th place in the Municipal Division. He noted that the competition measures skill, accuracy and speed and that the team competed with over 700 other organizations. Senior Engineering Technician, Gary Hironimus was also recognized for his performance and willingness to step up during a staff shortage as an Interim Supervising Engineering Technician in the Capital Project division of Energy Delivery. Pat praised Gary for his common sense approach to projects, and his willingness to step up and take on extra duties.

Board Actions:

Board of Public Utilities approves Consent Calendar Items without comment as listed below:

- Approval was given for the capital expenditure of \$105,000 for the relocation of an electrical duct bank located on Victoria Avenue and Harrison to accommodate installation of a new storm drain for flood control.
- Approved the work order for \$770,000 and two purchase orders for \$165,051 and \$325,976 to General Electric for communication system equipment under this work order. The equipment is for microwave radio sites to enhance and maintain secure communications for future technological improvements.
- Approval was given to award the purchase order to TransAmerican Power for \$1,314,317 for 68 steel poles and components for use in the 69kV portion of the Riverside Transmission Reliability Project and authorization was given to staff for a 15% change order allowance to cover potential storage costs and other issues.
- Approved the work order for \$2,549,000 for the Brunton 1-R Well Project (Phase II) located at the edge of Orange Street and Columbia Avenue. The construction contract for \$1,075,777 was awarded to Genesis Construction and additional capital expenditure of \$1,421,000 was also approved under this work order.
- Approval was given to authorize the City Manager or designee to issue purchase orders to four local nurseries in a collective amount not to exceed \$650,000 to facilitate the Tree Power Program's Free Shade Tree Coupon Campaign, and to authorize credits to customer accounts for trees purchased under this program in a collective amount not to exceed \$100,000 under the Tree Power Program for the fiscal year 2014-2015.

Board approves Goods and Services Contract between Ice Energy Holdings, Inc., and the City of Riverside for Peak Load Reduction Program

Assistant General Manager, Reiko Kerr presented information that explained why RPU needs to actively engage in cost-effective energy storage procurement targets because of Assembly Bill 2514 (2010). She indicated that thermal energy storage would be the most effective method to comply with the Bill versus other options like battery storage. Staff sought out Ice Energy, Inc. to utilize their Ice Bear units to achieve compliance. To explain how this works, Assistant General Manager Mike Bacich showed a video that illustrated how existing HVAC units can be converted into thermal energy storage generators. The Ice Bear attaches to the standard HVAC unit that produces ice by running at night when it is cooler and then the ice is used to cool the building during the peak heat of the day as it melts achieving a 3 hour peak load reduction. Customer Relations and Power Resources Divisions will partner to implement the pilot so that it can be measured to determine if the peak load is reduced enough to make the program effective. The five year contract with Ice Energy has an opt-out clause after one year if the Peak Load Reduction Program is not as successful as

Board approves Energy Innovations and Custom Energy Technology Grants

Assistant General Manager, Michael Bacich provided historical background to these grant programs and how new processes have been put in place to select applicants that align with RPU's current goals to foster practical applications instead of theoretical applications to new technologies. The board approved a \$100,000 Energy Innovation Grant to UCR. This project examines the feasibility and advantages of studying how energy supplied from solar powered batteries can shave peak load. Data will be collected as energy is supplied along a micro-grid that includes Hunter Substation. The board also approved a \$70,000 Custom Energy Technology Grant for Pacific Energy to help support the design engineering and construction of a 100 kilowatt-hour peak shaving, advanced energy storage system to be integrated into an existing commercial building utilizing lithium ion batteries, advanced controls and measurement equipment.

Board approves the construction of the Gratton Booster Station Replacement Project

Deputy General Manager, Kevin Milligan gave a brief presentation on the project. He indicated that this booster station located on Gratton Street near Dufferin Avenue needs to be replaced because there is no reservoir support, and the current pumping station is the only source of supply. The existing station was built in 1965, and the new station will be built 4,000 feet northeast of the station. The old station will be demolished. The board approved the capital expenditure of \$1,311,100 that includes a construction contract award of \$942,777 to Genesis Construction. Two other bids were rejected for not meeting the 5% cap for mobilization requirements.

Board receives and files the proposed RPU Strategic Planning Workshop, Agendas and Schedule for 2015

General Manager Girish Balachandran gave an overview outlining for the Board what to expect for the planning activities for the year. He quoted Winston Churchill who said, "Plans are of little importance, but planning is essential". He highlighted the accomplishments of 2014, and explained the road maps to be developed in 2015 that include Workforce Development, Infrastructure, Advanced Technology and Thrive Financially. In February, the board will give input on the plans for the Utility of the Future, help identify and prioritize critical issues and consider adoption of 2015 goals. April through August 2015 the focus will be placed specifically on roadmaps and the financial pro-forma (10 year).

Board approves meeting schedule for February 2015

To facilitate the strategic planning process the Board cancelled the February 6, 2015, regular board meeting and approved a special Board Meeting on February 12, 2015 at 5pm, at the Utilities Operations Center, and will be dedicated to the Strategic Plan for 2015. The next regular board meeting will be on February 20, 2015 at 8:30 am at the Utilities Operations Center.

Board conceptually approved the San Onofre Nuclear Generating Station (SONGS) Decommissioning Agreement

Assistant General Manager Reiko Kerr gave a presentation on the status of the Decommissioning Agreement for SONGS. Completion of the final agreement will most likely be executed within the week and the Agreement will be available at the next regular Board meeting to be approved to move forward through City Council execution.

General Manager's Report:

General Manager Girish Balachandran reported that:

- The Customer Information System Upgrade Project is ready to go-live on February 17. Final decision on whether the system is ready will be done on January 29. The Board, City Council, and customers will be receiving further notification about the project.
- Governor Brown indicated in his State of the State address this month that he would like to see California increase the Renewable Portfolio Standard to 50% by 2030 from 33% by 2020, double energy efficiency efforts and increase Electric Vehicle adoption. These statements will inform legislative efforts and strategic planning.
- Mayor Bailey in his State of the City address this week mentioned Dark Fiber utilization and that we should be a gigabit city soon. A study evaluating how to increase the value of fiber optic cable owned by RPU is underway and the results will be brought to the Board to describe options and the associated risks and rewards.

Board requests for future updates:

RTRP Update

Report on Dark Fiber Options

Streetlight Contractor Law Suit